

**MINUTES OF THE
ANNUAL STOCKHOLDERS' MEETING OF
MACROASIA CORPORATION**

Held on 20 July 2018 at 3:00 P.M.
at the Kachina Room, Century Park Hotel
599 Pablo Ocampo Sr. Street, 1004 Malate, Manila

	<u>No. of Shares</u>
Total No. of Shares Present or Represented by Proxy	897,391,066 shares
Total No. of Outstanding Shares (Net of Treasury Shares)	1,227,154,400 shares

I. CALL TO ORDER

The President and Chief Operating Officer, Mr. Joseph T. Chua, who was requested to act as Chairman of the meeting, called the meeting to order and presided over the same.

The Corporate Secretary, Mr. Florentino M. Herrera III, recorded the minutes of the meeting.

Mr. Chua stated that the 2017 Annual Report of the Corporation, with the theme "GROWING FAST", speaks of what the Corporation has achieved and also captures the spirit of the management teams of the Corporation and its subsidiaries to aspire for continued growth.

He thanked the stockholders for their continuing support and motivation in making the Corporation "grow fast".

Before he proceeded with the meeting proper, Mr. Chua acknowledged the contribution to the Corporation of its former Co-Chairman, Mr. Washington Sycip, whose valuable service has made the Corporation what it is today. Mr. Chua stated that Mr. Sycip's untimely death on 7 October 2017 is a big loss to the Corporation. He pointed out that the Corporation will honor Mr. Sycip's legacy through the trademark of service excellence that the Corporation is known for.

On behalf of the Sycip family, Mr. Herrera expressed his gratitude for the kind words about Mr. Sycip.

II. CERTIFICATION OF NOTICE

Mr. Chua asked Mr. Herrera if notices for the meeting were duly sent.

Mr. Herrera stated that in accordance with the provisions of the Securities Regulation Code, notices for the meeting were sent by mail and/or special messengerial service fifteen (15) business days prior to the date of the meeting to all stockholders of record as of 20 June 2018, the record date fixed by the Board of Directors of the Corporation for the meeting.

The Certification issued by Ms. Josephine E. Jolejole, First Vice-President of the Philippine National Bank Trust Banking Group, the Corporation's Stock Transfer Agent, is attached hereto as Annex "A".

Mr. Herrera thereafter certified that notices for the meeting were duly sent.

III. CERTIFICATION OF QUORUM

Mr. Chua then asked Mr. Herrera if a quorum existed for the valid transaction of business at today's meeting.

Mr. Herrera stated that based on the attendance record and the proxies and/or powers of attorney on hand, stockholders owning Eight Hundred Ninety Seven Million Three Hundred Ninety One Thousand Sixty Six (897,391,066) shares representing 73.127% of the outstanding capital stock of the Corporation were present or represented in the meeting.

Mr. Herrera stated that the proxy forms of Citibank, HSBC and Deutsche Bank AG Manila Branch have voting instructions on certain agenda items.

Mr. Herrera thereafter certified that a quorum existed for the valid transaction of business.

IV. APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Mr. Chua then proceeded to the next item in the Agenda, which pertains to the approval of the Minutes of the Annual Stockholders' Meeting held on 21 July 2017.

Upon motion duly made and seconded, the stockholders

approved the Minutes of the Annual Stockholders' Meeting held on 21 July 2017.

V. MANAGEMENT REPORT

Mr. Chua reported on the results of operations of the Corporation and its subsidiaries and presented the Business Outlook for 2018. A copy of the President's Report is attached hereto as Annex "B".

The Corporation's Chief Financial Officer, Mr. Amador T. Sendin, thereafter presented the Financial Report for the year ended 31 December 2017. A copy of the Financial Report is attached hereto as Annex "C".

After presentation of the aforesaid reports, Mr. Chua opened the floor for questions or points of clarification from the stockholders.

A stockholder congratulated the Corporation and the Board of Directors, as the Corporation's shares have been trading at a high price.

He then inquired as to the difference in duties and functions between the Corporation's Chief Executive Officer ("CEO") and Chief Operating Officer ("COO").

Mr. Chua replied that the CEO, together with the Board of Directors, sets the policies and directions of the Corporation. On the other hand, the COO is responsible for the day-to-day operations of the Corporation, and executes the policies and directions set forth by the CEO and the Board of Directors.

There being no other questions raised by the stockholders, and upon motion duly made and seconded, the stockholders noted and approved the Annual Report for 2017.

VI. APPROVAL OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

Mr. Chua presented for the approval of the stockholders, the Audited Financial Statements of the Corporation for the year ended 31 December 2017.

Upon motion duly made and seconded, the stockholders approved the Audited Financial Statements of the Corporation for the year ended 31 December 2017.

VII. EXTENSION OF CORPORATE TERM

Mr. Chua presented for the approval of the stockholders the amendment to the Fourth Article of the Articles of Incorporation to extend the corporate term for another fifty (50) years.

Mr. Chua then requested Mr. Herrera to explain this item to the stockholders.

Mr. Herrera informed the stockholders that the Board of Directors, during its meeting held on 22 March 2018, approved the amendment to the Fourth Article of the Articles of Incorporation to extend the corporate term for another fifty (50) years, from and after 15 February 2020.

After discussion and upon motion duly made and seconded, the stockholders, representing at least 2/3 of the outstanding capital stock of the Corporation, approved the following resolutions:

“RESOLVED, That the Fourth Article of the Articles of Incorporation be, as it is hereby amended to extend the corporate term of the Corporation for another fifty (50) years, from and after 15 February 2020;

“RESOLVED FINALLY, That the President, the Corporate Secretary and other officers of the Corporation be, as they are hereby authorized to perform all acts including but not limited to the filing of the necessary documents with the Securities and Exchange Commission and to sign, execute and deliver, for and on behalf of the Corporation, any and all documents as may be necessary and/or appropriate to implement the foregoing resolution;

VIII. DECLARATION OF STOCK DIVIDENDS

Mr. Chua presented for the approval of the stockholders the declaration of thirty percent (30%) stock dividends from the unissued portion of the authorized capital stock.

Mr. Chua then requested Mr. Herrera to explain this item to the stockholders.

Mr. Herrera informed the stockholders that the Board of Directors, during its meeting held on 22 March 2018, approved the

declaration of thirty percent (30%) stock dividends from the unissued portion of the authorized capital stock equivalent to Three Hundred Sixty Eight Million One Hundred Forty Six Thousand Three Hundred Twenty (368,146,320) shares. He explained that the Corporation shall issue three (3) shares as stock dividends for every ten (10) common shares held by the stockholders of the Corporation based on the record date to be set after obtaining stockholders' approval. Any resulting fractional shares shall be dropped.

After discussion and upon motion duly made and seconded, the stockholders, representing at least 2/3 of the outstanding capital stock of the Corporation, approved the following resolutions:

"RESOLVED, That the Corporation be, as it is hereby authorized, to declare from its unrestricted retained earnings based on the Audited Financial Statements for the year ending 31 December 2017, thirty percent (30%) stock dividends equivalent to Three Hundred Sixty Eight Million One Hundred Forty Six Thousand Three Hundred Twenty (368,146,320) shares with an aggregate par value of Three Hundred Sixty Eight Million One Hundred Forty Six Thousand Three Hundred Twenty Pesos (₱368,146,320.00);

"RESOLVED FURTHER, That the Corporation shall issue three (3) shares as stock dividends from the unissued portion of the authorized capital stock of the Corporation for every ten (10) common shares held by the stockholders of the Corporation based on the record date to be set after obtaining stockholders' approval, with any resulting fractional shares to be dropped;

"RESOLVED FINALLY, That the proper officers of the Corporation be, as they are hereby authorized, to perform all acts and to sign, execute and deliver, for and on behalf of the Corporation, any and all documents as may be necessary and/or appropriate to fully implement the foregoing resolutions."

IX. APPROVAL, CONFIRMATION AND RATIFICATION OF ALL ACTS, PROCEEDINGS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND MANAGEMENT .

Mr. Chua then proceeded to the next item on the Agenda, which

pertains to the approval, confirmation and ratification of all acts, proceedings and resolutions of the Board of Directors and Management of the Corporation since the last Annual Stockholders' Meeting held on 21 July 2017.

Upon motion duly made and seconded, the stockholders approved the following resolution:

“**RESOLVED**, That all acts, proceedings and resolutions of the Board of Directors and of Management since the last Annual Stockholders' Meeting held on 21 July 2017 up to today's meeting be, as they are hereby approved, confirmed and ratified.”

X. ELECTION OF DIRECTORS

Mr. Chua then proceeded to the election of directors for the ensuing year.

Mr. Chua stated that the Articles of Incorporation of the Corporation provides for eleven (11) directors. The Manual on Corporate Governance of the Corporation provides that there shall be at least three (3) independent directors.

Mr. Herrera explained that under the Corporation's By-Laws and Manual on Corporate Governance, the nomination of the Corporation's directors shall be conducted by the Corporate Governance Committee. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity of the would-be nominees and shall be submitted to the Corporate Governance Committee and the Corporate Secretary at least thirty (30) days before the date of the Annual Stockholders' Meeting.

The Corporate Governance Committee shall pre-screen the qualifications and prepare a Final List of Candidates. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as directors.

Based on the Final List of Candidates for directors prepared by the Corporate Governance Committee, and upon motion duly made and seconded, the following were elected as Directors of the Corporation to act as such for the ensuing year and until the election and qualification of their successors:

Dr. Lucio C. Tan
Carmen K. Tan
Lucio K. Tan, Jr.
Michael G. Tan
Joseph T. Chua
Jaime J. Bautista
Stewart C. Lim
Johnip G. Cua (Independent Director)
Ben C. Tiu (Independent Director)
Marixi R. Prieto (Independent Director)
Samuel C. Uy (Independent Director)

The tabulation of votes is set forth in Annex "D".

XI. APPOINTMENT OF EXTERNAL AUDITOR

Mr. Chua then proceeded to the next item on the Agenda, which pertains to the appointment of the external auditor of the Corporation for the ensuing year.

Upon motion duly made and seconded, SGV & Co. was appointed as the external auditor of the Corporation for the ensuing year.

XII. ADJOURNMENT

There being no further business to transact, upon motion duly made and seconded, the meeting was adjourned.

CERTIFIED CORRECT:

FLORENTINO M. HERRERA III
Corporate Secretary

ATTEST:

JOSEPH T. CHUA
Chairman of the Meeting/
President & COO

09/08/2018
12:38/AMC

ANNEX " A "



Philippine National Bank
Trust Banking Group
Trunk Lines: 526-3131 / 891-6040 local 2307

June 26, 2018

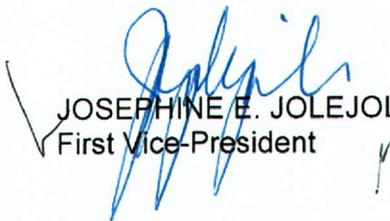
MACROASIA CORPORATION
12/F Allied Bank Center
6754 Ayala Avenue, Makati City

Attention : MR. AMADOR T. SENDIN
Chief Financial Officer
VP- Administration & Business Development

Gentlemen :

Relative to Annual Stockholders' Meeting of MacroAsia Corporation on July 20, 2018, we hereby certify that the CDs containing Shareholder Information package together with Proxy Form were sent to 138 stockholders and 118 PCD Beneficial Owners as of record date, June 20, 2018.

Very truly yours,


JOSEPHINE E. JOLEJOLE
First Vice-President

PRESIDENT’S MESSAGE

Dear Stakeholders of MacroAsia

I am pleased to inform you that MacroAsia Group ended 2017 with Php1.1 billion in net income, a phenomenal growth of 146% from its 2016 net income of Php440 million. This is the first time that MAC has breached the Php1 billion net income mark. While we take this moment to celebrate this achievement, we also recommit ourselves to sustain this momentum in these challenging operating times.

Barring any severe circumstances, MAC is poised to continue its growth in the coming years. The industry is expected to grow in double-digit figures in the years to come, mainly because of the increased tourism in the country. Our 20-year long industry experience will definitely help us propel the business forward, fueled by the visionary guidance of our Board and other key stakeholders. Our professional, experienced, globally competitive and mostly Filipino workforce that is now more than 7,000 strong, remains to be MacroAsia’s competitive advantage. Collectively, we plan to sustain MacroAsia’s unfolding growth story, as we explore and exploit more opportunities before us.

The strong operational results for 2017 were driven by the continuing growth of core aviation services businesses, namely Lufthansa Technik Philippines (LTP, 49%-owned by MAC), MacroAsia Airport Services Corp. (MASCORP, 100% MAC) and MacroAsia Catering Services (MACS, 67%-owned by MAC). MAC’s venture into the water supply and concession business has also started to pick up, coming from 2016 as an operational startup year.

1. Maintenance, Repair and Overhaul

In 2017, LTP’s total revenues stood at USD255 million, marked by a 25% increase from 2016. LTP’s 2017 net income grew by 76% to USD37.5 million, from USD21.3 million in 2016.

LTP’s MRO (maintenance, repair and overhaul) business was boosted by the gain of two new Airbus A380 customers: British Airways and Korean Air. These big planes are not being used for commercial flights in NAIA, but these are being sent solely for repair in the LTP facility within the MacroAsia Special Ecozone in NAIA. The first A380 checks for these clients were completed in the first half of 2017. British Airways has a total of 12 A380s, and in the next five years, there will be a total of 34 layovers in LTP. Korean Air flies two of its A380s to Manila for heavy-maintenance or 6-year checks. These client gains underscore LTP’s edge in A380 repair and

maintenance, as it in fact celebrated its 50th A380 layover in April 2017, through the maintenance of a Qantas A380 that first saw repair in LTP in 2012.

LTP also supported PAL in its drive to be a 5-star airline, by reconfiguring PAL's A330-300 cabins from one class to tri-class (economy, premium economy and business class). The newly-reconfigured planes were launched last June 2017. LTP has upgraded its service capabilities to include the heavy checks for the Boeing B777. In 2017, it did its first heavy maintenance check for one of the B777 owned by PAL. LTP has also started to upgrade its service capabilities for the next-generation aircraft. It has started preparations for the A321 neo and A350 planes of PAL which will be arriving this 2018. Early this 2018, PAL has signed a 12-year line maintenance with LTP for the servicing of these new aircraft that will soon join PAL's fleet.

2. Catering

MacroAsia Catering Services (MACS) started 2017 from a high base of performance in 2016. Despite this, MACS' revenues have increased by 7% to end at Php1.5 billion in 2017.

The company is the preferred airline caterer of foreign airlines in NAIA, as it services most of the major foreign airlines flying into NAIA. MACS has concentrated its business on the foreign airlines, and is not the inflight caterer for Philippine Airlines. Its service to PAL is through the provision of the food for PAL's Mabuhay Lounges in NAIA.

MACS is currently building a new commissary/central production facility that will be used principally for institutional accounts other than airlines. This facility will be operated by its subsidiary, MacroAsia SATS Food Industries. This new entity will grow MacroAsia's business in the non-airline food segment starting this 2018. Earlier though, MACS has already been serving the meal requirements of some BPOs, banks, casinos and even caterers who require mass production of meals.

3. Groundhandling

MacroAsia Airport Services Corp. (MASCORP) which is the ground handling unit of MAC has seen substantial growth during 2017. MASCORP's revenues grew by 52% to Php1 billion, from Php679 million in 2016. The growth is mainly caused by the increased number of airports being served. From 7 airport locations in 2016, MASCORP ended 2017 by serving PAL in 27 airport locations within the country.

MASCORP is expected to continue to operate in more locations in 2018 and is also seen to operate in the new Terminal 2 in Mactan, Cebu.

Our Way Forward

We foresee that MacroAsia will continue to grow in the aviation services sector. Our operations in Cebu will grow, as we are awarded one of 3 concession licenses to do ground handling in the new terminal that will be operational by 2nd half of 2018. Our ground handling business in Clark will also grow, as more and more flights are mounted by our clients in that airport. LTP in NAIA is currently studying options for expansion in its current location, as there are still opportunities to build additional hangars in the ecozone.

Our water concessions business will also continue to grow, as our current operations continue to stabilize and grow. Our network expansion projects will become operational in the coming months, particularly in Solano, Nueva Vizcaya, Naic, Cavite and Boracay. While we have other water projects under development as well, we envision that our water companies will eventually be separated from the aviation group under another holding company that will likely tap into the capital markets for funding in the near term. The same strategy to separate our mining projects from the aviation group shall also be pursued, even as we still see no immediate positive developments in the pending mining permits for our mining projects.

At this point, we thank our Board, our executives and staff, and our operating teams for the united effort to make MacroAsia succeed especially in 2017. We also thank our shareholders for the thrust and confidence bestowed upon us, to pursue the goals of making MacroAsia as a viable and rewarding vehicle for their investments, while making a meaningful contribution to the growth of the aviation and tourism industry in our country.

CFO's Message

In 2017, the MacroAsia Group recorded a substantial 142% growth in consolidated net income after tax, from ₱440.17 million in 2016 to ₱1,065.52 million in 2017. The Group's major subsidiaries posted strong operating and financial results in 2017.

In-flight catering revenues which comprises 52% of our total revenues rose by 6%, from ₱1.45 billion in 2016 to the ₱1.54 billion in 2017. The revenues from ground-handling and aviation services rose by 52%, from ₱678.77 million in 2016 to ₱1.03 billion in 2017. The growth is driven by a 157% growth in PAL/PALEX flights handled, and also by the geographical expansion of MASCORP from 7 airport stations in 2016 to 27 airports by end of 2017.

Another highlight of the 2017 revenues is the ₱136.39 million (+2,180%) increase in the revenue of water operations brought mainly by Boracay Tubi which MacroAsia acquired in December 2016), as well as the customer growth in SNVRDC (Solano Water) which started commercial operations only in March 2016, and the acquisition of NAWASCOR, an operating water utility company in Cavite last August 2017. As of December 31, 2017, the water companies have a total of 12,556 connections which grew by 9,205 (+275%) from 3,351 connections in 2016.

Total direct costs in 2017 amounted to ₱2.15 billion, posting an increase of ₱489.71 million (+29%) from 2016. The increases are driven by the revenue and business volume growth.

Share in net income/loss of associates (LTP and CPCS) amounted to ₱967.94 million, which increased by ₱435.51 (+82%) million. For the year ended December 31, 2017, our MRO business registered profits of ₱1.89 billion from which we share 49% or ₱928.40 million. In 2016, MAC's share in LTP's income is ₱497.27 million, out of ₱1.01 billion. CPCS - our catering associate in Cebu, reflected a 12% increase in its net earnings. MAC booked its 40% net income share in CPCS at ₱39.54 million, compared to last year's ₱35.17 million.

The interest income of ₱8.48 million pertain to income earned from short-term investments. Financing charges increased from ₱3.3 million in 2016 to ₱9.4 million in 2017, aligned with the increase in notes payable of the Group. Other income and charges is lower by ₱50.01 million against the ₱75.14 million in 2016. In 2016, MAATS recognized a net recovery from insurance claim amounting to ₱20.39 million.

Financial Position

As of December 31, 2017, our consolidated total assets stood at ₱6.48 billion, posting a 34% or ₱1.64 billion increase from ₱4.84 billion in 2016. Cash and cash equivalents of ₱913.19 million increased by ₱353.50 million (+63%), which is caused largely by the dividends received from LTP amounting to ₱368.68 million in March 2017.

Receivables grew by ₱121.85 million (+21%) due to the growth in trade-related activities. Investments in associates which are accounted for under the equity method of accounting, showed an increase of 34% or ₱524.01 million in this investment account, from ₱1.54 billion in 2016 to ₱2.07 billion in 2017.

The group's property and equipment of ₱1.15 billion increased by ₱295.28 million from ₱849.82 million in 2016. Deferred mine exploration costs of ₱20.42 million remained the same. Investment property of ₱143.85 million pertains to land held for future development by MAPDC. Available-for-sale debt and equity investments amounting to ₱110.40 million represent the remaining investment in government treasury bonds and golf club shares held by the Parent Company.

Intangible assets and goodwill increased by ₱85.94 million (+42%) mainly due to the resulting impact of the acquisition of Boracay Tubi. The goodwill amounting to ₱153.20 million resulted from the Company's acquisition of a non-controlling interest (13%) from a previous stockholder of MACS in 2006 and the purchase by MAPDC of 67% of BTSI in 2016 and 100% of NAWASCOR in 2017. Service concession right amounting to ₱331.59 million pertains to incurred construction costs in relation to the construction of water treatment plant and pipe laying activities of SNVRDC and right for water supply and distribution of NAWASCOR. This asset was accounted for in accordance to IFRIC 12, Service Concession Arrangements, under the intangible asset model as SNVRDC received the right to charge users of the public service.

Other noncurrent assets account includes advances to contractors and suppliers of ₱147.17 million, input taxes of ₱138.62 million, deferred project costs of ₱42.26 million, deposits of ₱29.64 million, deferred mine exploration costs of ₱20.42 million, pension assets of ₱19.51 million, deferred rent expense of ₱13.57 million, prepaid rent of ₱7.34 million and restricted investments of ₱7.18 million.

Accounts payable and accrued liabilities increased by ₱267.46 million (+71%) as of December 31, 2017 mainly due to the volume growth of the ground handling operations and accrual of construction costs for the new commissary that is being constructed. Loans payable of ₱720.31 million refers to the loan availed from a local bank last 2014 that was used by our ground-handling subsidiary to finance its asset acquisition and another ₱30 million in September and ₱94.27 million in November 2017, loan obtained by the Parent Company in December 2016 amounting to ₱150 million related to the acquisition of BTSI, additional loans by MSFI amounting to ₱125 million in April and ₱275 million in July, and by BTSI amounting to ₱10 million in June, ₱7.55 million in July and ₱20 million in September this year. Accrued retirement benefits payable of ₱17.48 million and other long term employee benefits amounting to ₱11.49 million is accounted for based on the latest actuarial valuation of the Group. Deferred tax liabilities of ₱103.52 million remained at the same level as prior year's ending balance. Dividends payable of ₱180.66 million shows the remaining outstanding checks payable by the Parent Company for the cash dividends declared to MAC shareholders.

In 2017, capital expenditures totaled about ₱1 billion, spread across the parent company, our subsidiaries and associates.

Buyback Program

On June 15, 2017, our MAC Board allocated ₱210 million for a share buyback program, of which we used ₱64 million to buyback 6,249,600 shares. As the share price rapidly grew by third quarter 2017, we suspended the buyback program. Today, we have 22,845,600 treasury shares, costing on the average ₱4.97 per share.

Dividends

On December 13, 2017, our MAC Board declared ₱0.14 cash dividends per share, amounting to ₱171.8 million that was paid last January 31, 2018 to stockholders of record as of January 5, 2018.

As we step back behind the numbers and assess our future, we see that MacroAsia's financial standing remains strong, backed by the resilient cash-flow generating capabilities of our key operating subsidiaries.

AMADOR T. SENDIN
Chief Finance Officer

Election of Directors - Voting Results

	Total Votes For	Total Votes Against
Dr. Lucio C. Tan	870,189,316	27,201,750
Carmen K. Tan	892,169,666	5,221,400
Lucio K. Tan, Jr.	878,885,066	18,506,000
Michael G. Tan	878,885,066	18,506,000
Joseph T. Chua	892,169,666	5,221,400
Jaime J. Bautista	870,189,316	27,201,750
Stewart C. Lim	892,169,666	5,221,400
Johnip G. Cua	885,528,466	11,862,600
Ben C. Tiu	897,391,066	0
Marixi R. Prieto	885,644,266	11,746,800
Samuel C. Uy	897,391,066	0
TOTAL	9,740,612,626	130,689,100